



# Uniform Medical Plan

Your health. Your plan. Your choice.

Volume 6, Issue 2

Provider Bulletin

August 2004

Please circulate the **UMP Provider Bulletin** to the appropriate clinical, billing, and bookkeeping staff.

**Uniform Medical Plan Web site:** [www.ump.hca.wa.gov](http://www.ump.hca.wa.gov)

## Therapeutic Interchange Program

As most of you know, Washington State passed a law in 2003 requiring the Uniform Medical Plan (UMP) to implement the Therapeutic Interchange Program (T.I.P.), based on the new Washington Preferred Drug List (PDL). In May, we sent a letter to UMP enrollees explaining T.I.P. That letter and a table showing the drugs affected are available on our Web site at [www.ump.hca.wa.gov/news/04tip.shtml](http://www.ump.hca.wa.gov/news/04tip.shtml).

Under T.I.P., once a prescribing provider has endorsed the PDL, any Washington State retail pharmacist who fills that prescription for a UMP enrollee will usually replace any nonpreferred medication with a less-expensive, preferred medication, as long as that prescription is filled at a retail pharmacy in Washington State. If the provider or patient does not want the substitution made, the provider should write the prescription "dispense as written," or the enrollee can specifically ask the pharmacist to dispense the nonpreferred drug; however, the enrollee will pay the higher Tier 3 cost if he or she receives a nonpreferred brand name drug.

If the prescribing provider has not endorsed the PDL, the pharmacist is not allowed to make the substitution, unless it is for a generic equivalent and the provider has allowed substitution.

To find out more about endorsing the PDL, visit the Prescription Drug Program's Web site at [www.rx.wa.gov](http://www.rx.wa.gov).

## Be Sure to Update Your Directory Information!

In preparation for next plan year, the UMP Network Provider Directory will be reprinted soon! Please check that your current listing is correct by going online to

[www.umpdirectory.net/index.htm](http://www.umpdirectory.net/index.htm) or, if you don't have Internet access, by calling Provider Services at 1-800-292-8092. Many enrollees use our printed directory as their primary source of contact information for network providers; make sure yours is correct!

Along the same lines, don't forget that it's a good idea for professional providers to check their entries in the Washington State disciplinary database at [https://fortress.wa.gov/doh/hpqa1/Application/Credential\\_Search/profile.asp](https://fortress.wa.gov/doh/hpqa1/Application/Credential_Search/profile.asp) and the National Practitioner Data Bank at [www.npdb-hipdb.com](http://www.npdb-hipdb.com), to identify any errors or disputed items. Remember, health plans make credentialing decisions based on this information!

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## Professional Provider Fee Schedule

We recently completed our annual update to the *UMP Professional Provider Fee Schedule*. New fees are effective for dates of service on or after July 1, 2004. Updated fee schedules are available on our Web site at [www.ump.hca.wa.gov](http://www.ump.hca.wa.gov). See the next page for details for the revised maximum allowances and methodology used.

It is also important to note that while the major annual update of UMP's fee schedule occurs every July, minor revisions are done throughout the year to incorporate coding or other changes. Please be sure to check the UMP Web site for the most current codes and up-to-date fees.

### Fee Schedule Amounts Based On Resource-Based Relative Value Scale (RBRVS) Methodology

The updated maximum allowances for most codes on the fee schedule are based on:

- Centers for Medicare & Medicaid Services (CMS) 2004 RVUs;
- 2004 **statewide** Geographic Practice Cost Indices (GPCIs) for Washington State; and
- UMP's new RBRVS conversion factor of \$48.59.

Site-of-service rate differentials continue to apply to many of the procedure codes based on CMS's dual levels of practice expense RVUs.

Updated statewide GPCIs for the work and malpractice expense components were used in the formula to calculate the fee schedule amounts. The GPCI practice expense component was not revised by CMS for the 2004 update. The statewide GPCIs are included below for your reference.

- 1.002 (work);
- 1.011 (practice expense); and
- 0.803 (malpractice expense).

The updated UMP RBRVS conversion factor (\$48.59, effective July 1, 2004) reflects a 3.4 percent increase above our modeled 2003-2004 budget-neutral conversion factor. This inflation update was based on the U.S. city average consumer price index for medical care physicians' services for the 12 months ending February 2004. For reference, UMP's RBRVS conversion factor used with the 2003 RVUs and GPCIs for dates of service from July 1, 2003 to June 30, 2004 is \$47.33. Weighted by actual UMP utilization, there was a slight average increase in RVUs for specific procedures. This, in addition to the conversion factor increase, resulted in the overall 3.4 percent adjustment.

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## Clinical Diagnostic Laboratory Fee Schedule

Most maximum allowances for clinical laboratory procedure codes are equal to 136.5 percent of Medicare's 2004 Clinical Diagnostic Laboratory Fee Schedule.

### Anesthesia Reimbursement System

The UMP payment system for anesthesia services was updated for dates of service on or after July 1, 2004. Reimbursement is composed of base units plus anesthesia minutes. For the majority of the CPT anesthesia codes, the current anesthesia bases in the UMP payment system are the same as CMS's 2004 anesthesia base units and the American Society of Anesthesiologists' (ASA) 2004 anesthesia base units.

The 3.4 percent inflation factor used to update UMP's RBRVS "budget-neutral" conversion factor was also applied to the anesthesia "budget-neutral" conversion factor for the annual update. This increased the UMP anesthesia conversion factor to \$45.01 per 15-minute base unit for dates of service on or after July 1, 2004. For reference, the UMP anesthesia conversion factor for dates of service July 1, 2003 through June 30, 2004 is \$43.42.

The actual anesthesia minutes must be reported in the unit field (24G) on the HCFA-1500 claim form, as actual payment is calculated on a per-minute basis.

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## Chiropractor Fee Schedule

The *UMP Chiropractor Fee Schedule* maximum allowances are also being updated for dates of service on or after July 1, 2004. The CMS 2004 RVUs, 2004 statewide GPCIs, and the UMP RBRVS conversion factor of \$48.59 were used to determine the updated maximum allowances. The UMP maximum allowances for covered evaluation and management (E&M) services are set at 90 percent of the full RBRVS rates.

As a reminder, patient education or complementary and preparatory services are not reimbursed separately from manipulations. Application of heat/cold packs and pre-manipulation exercise programs are considered complementary or preparatory services. For additional details pertaining to coverage, benefit limitations, payment policies, and fees, see the *UMP Certificate of Coverage*, *Chiropractor Fee Schedule*, and the *Billing and Administrative Manual for Professional Providers*, all of which are available on the Web site at [www.ump.hca.wa.gov](http://www.ump.hca.wa.gov).

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## How To Reach Us

**UMP Web site** [www.ump.hca.wa.gov](http://www.ump.hca.wa.gov)

**Secure services through OneHealthPort**  
[www.onehealthport.com](http://www.onehealthport.com)

**Claims Processing  
and Preauthorizations** **1-800-464-0967**  
**or 425-686-1246**  
**Fax 425-670-3199**

- Claims and benefits information
- Customer service and general billing questions
- Medical review and prenotification/preauthorization
- Enrollee eligibility information
- Status of submitted claim
- Verify provider's network status

**Automated Enrollee  
Eligibility Information** **1-800-335-1062**

Have subscriber I.D. number available, and select #2 for  
PEBB subscriber information

**Provider Credentialing  
and Contracting Issues** **1-800-292-8092**  
**or 206-521-2023**  
**Fax 206-521-2001**

- Billing manuals and payment policies
- Change of provider status
- Fee schedules
- Network provider contract information
- New provider enrollment
- Policies and procedures
- *Provider Bulletin* feedback
- Request a printed preferred drug list

**Providence Preferred Oregon** **1-800-762-6004**  
[www.providence.org/healthplans](http://www.providence.org/healthplans)

For network providers in Oregon

**Beech Street Preferred  
Network\*** **1-800-432-1776**  
[www.beechstreet.com](http://www.beechstreet.com)

For network providers outside of Washington, Oregon, and  
Idaho counties of Bonner, Kootenai, Latah, and Nez Perce

\* *Note: The Beech Street network does not apply to  
Medicare-primary enrollees*

**Alternare Health  
Services, Inc.** **1-800-500-0997**  
**or 206-405-2923**  
[www.alternare.com](http://www.alternare.com)

Preferred network information for licensed massage practition-  
ers, naturopathic physicians, and licensed acupuncturists

**Express Scripts, Inc.** **1-800-763-5502**  
[www.express-scripts.com](http://www.express-scripts.com)

To fax prescriptions: **1-800-396-2171**

Prescription drugs, preferred drug list, claims questions,  
drug coverage review, and preauthorization

**Free & Clear** **1-800-292-2336**  
[www.freeandclear.org](http://www.freeandclear.org)

Tobacco cessation program information

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## Prosthetic and Orthotic Fee Schedule (Including Ostomy and Urological Supplies) for Suppliers

The *UMP Prosthetic and Orthotic Fee Schedule*  
(including Ostomy and Urological Supplies) for suppli-  
ers is also available on the UMP Web site at  
[www.ump.hca.wa.gov](http://www.ump.hca.wa.gov). Most of the maximum allow-  
ances are based on Medicare's 2004 Durable Medical  
Equipment/Prosthetic and Orthotic Fee Schedule.

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## Revisions for Drugs and Biologicals Administered in Providers' Offices

An updated policy and fee schedule were implemented  
on July 1, 2004, for drugs and biologicals administered  
in providers' offices. The fee schedule amounts for the  
administration procedure codes will be significantly  
higher, as a result of implementing the CMS 2004  
relative value units, updating the 2004 statewide GPCI  
changes, and increasing the UMP RBRVS conversion  
factor to \$48.59. With the higher fee schedule  
amounts for the administration procedure codes, UMP  
will base the fee schedule amounts for the drugs and  
biologicals on the greater of CMS's fee or 88 percent  
of average wholesale price (AWP). We intend to  
monitor Medicare's payment policy and methodology,  
and may consider further adjustments to the percent-  
ages of AWP allowed for future UMP fee schedule  
updates.

### Drug Administration Codes

For services furnished on or after July 1, 2004, CPT®  
code 99211 is not allowed on the same day as a drug  
administration code that has a work relative value unit  
(CPT codes 90780—90781, 90782—90788, 96400,  
96408—96425, 96520, and 96530). Other E&M office  
visit codes billed on the same day will be allowed only  
if a separately identifiable E&M service is provided and  
modifier 25 is used.

For services provided on or after January 1, 2004,  
CPT code 96408 (chemotherapy administration,  
intravenous; push technique) may be reported once for  
each drug administered. The policy formerly allowed  
CPT 96408 to be reported only once per day even if  
the physician administers multiple drugs.

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## Revised After-Hours, Evening, and Holiday Services Payment Policy Clarification

After-hours service codes (CPT 99050—99054) will only be considered for separate payment when the provider's office is not regularly open. Only one after-hours service code will be reimbursed per patient per day. After-hours service codes are not payable when billed by emergency room physicians, anesthesiologists/anesthetists, radiologists, and laboratory clinical staff. The medical necessity and urgency of the service must be documented in the medical records and be available upon request.

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## Telemedicine Services Payment Policy Effective July 1, 2004

**Rural providers please note:** UMP now offers payment for certain telemedicine services. This provisional policy was recently adopted as a pilot, to help ensure that enrollees in rural areas have access to specialist consultations and similar services. The patient must be present and participating in the telehealth visit. A medical professional is not required to present the patient to the specialist unless it is medically necessary, as determined by the specialist at the distant site.

The UMP considers "telehealth" to be the use of interactive, real-time audio and video telecommunications to deliver medically necessary covered services to a patient at a site other than where the specialist is located. In these situations, the use of a telecommunications system may substitute for a face-to-face, "hands-on" encounter. The provider and patient are able to interact as if they were having a face-to-face session, without the patient having to travel long distances.

UMP has decided to follow Medicare's policy for coverage and payment of telehealth services with a few exceptions. To be eligible for UMP coverage:

- The telehealth services must be medically necessary.
- Interactive audio and video telecommunications must be used, permitting real-time communication between the distant site practitioner (specialist) and patient.
- The referring provider for telemedicine consults must be a UMP-approved provider type.

- The originating site where the patient receives services must be located in a rural health provider specialty shortage area and be one of the following:
  - Provider's office;
  - Community mental health center/Regional Support Network (RSN);
  - Hospital;
  - Rural health clinic; or
  - Federally qualified health center.
- The specialist performing the telehealth services at the distant site must be a UMP network provider and be:
  - A physician in a specialty not available in the community where the patient lives; or
  - A psychologist.

Telemedicine technology and services not covered by the UMP include:

- "Store and forward" technology (i.e., asynchronous transmission of medical information reviewed at a later time by a physician or practitioner at distant site);
- E-mail, telephone, and facsimile transmissions;
- Installation or maintenance of any telecommunication devices or systems;
- Home health monitoring;
- HCPCS code T1014 (telehealth transmission, per minute); and
- CPT code 0074T (online medical evaluation, per encounter, using Internet or similar electronic communications network in response to a patient's request).

### Telehealth billing and reimbursement information

#### Originating site (patient's location)

Providers seeking reimbursement for the originating site facility fee should report HCPCS procedure code Q3014. Hospitals should follow Medicare's coding rules, which include reporting the applicable revenue code for the department where the telemedicine was performed (HCPCS procedure code Q3014). UMP's fee schedule amount for HCPCS code Q3014 is \$21.20, which is based on Medicare's fee schedule amount.

A charge for a professional service is reimbursable only if a separately identifiable, medically necessary professional service is provided on the same day as the telehealth service. Documentation for both services must be clearly and separately identified in the medical record. Payment of covered professional services will be based on the *UMP Professional Provider Fee Schedule\** amounts.

*(continued on page 5)*



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### Distant site (specialist's location)

Specialist services eligible for coverage are limited to:

- Consultations (CPT codes 99241—99275);
- Office or other outpatient visits (CPT codes 99201—99215);
- Individual psychotherapy (CPT codes 90804—90809);
- Pharmacologic management (CPT code 90862);
- Psychiatric intake and assessment (CPT code 90801); and
- Diabetes outpatient self-management training sessions (HCPCS codes G0108—G0109), if delivered by a Medicare-approved diabetes education program and otherwise covered under the UMP diabetic education benefit.

The specialists must report modifier GT with the applicable procedure code to indicate the telehealth service was provided via interactive audio and video telecommunications. The UMP allowed amount for the covered professional service is the *UMP Professional Provider Fee Schedule\** amount for the same service provided without the use of telecommunications.

*\*The UMP Professional Provider Fee Schedule is available on the UMP Web site at [www.ump.hca.wa.gov](http://www.ump.hca.wa.gov). If you have any questions regarding our telemedicine policy or would like more information about which specialists are offering telemedicine services, please contact Kathy Fancher at 206-521-2007.*

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## UMP Adopts Administrative Simplification Guidelines

During this past year, the UMP has been working collaboratively with other state agencies on an inter-agency Administrative Simplification Project. The focus of this effort is to reduce the administrative burdens for health care providers that serve recipients of state programs.

One component of the project is the coordination of state efforts with those of private industry via the Washington Healthcare Forum. The Forum has established three main categories of administrative simplification policies and guidelines: claims processing, referrals and prospective review, and credentialing. The purpose of these policies and guidelines is to establish standard business processes that will reduce administrative burdens for providers.

Through their collaboration with the Forum, state agencies have completed the first phase of their effort to adopt and/or clarify their positions relative to each of the claims processing guidelines. During the adoption review process, the UMP was consistent with 11 of the

12 proposed guidelines. For detailed information on the Forum guidelines, as well as the adoption status of the UMP, state agencies, and commercial payers, visit the Washington Healthcare Forum's Web site at [www.wahealthcareforum.org](http://www.wahealthcareforum.org).

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## UMP Joins OneHealthPort

Secure online access to much of the information you need to manage your UMP business is now available through OneHealthPort, a health care security system used by several health plans in Washington. UMP is joining other health care organizations to use a single portal for access to secure information. This security measure, along with expansion of our Web site capabilities, allows us to provide you with the important information you need to manage your UMP business. This is part of a larger effort to streamline processes and make working with UMP easier. You can manage your online health care services in one place by visiting [www.ump.hca.wa.gov/provider](http://www.ump.hca.wa.gov/provider). And these services are offered to you at no cost.

Through OneHealthPort, you have access to:

- **Eligibility:** Information on effective dates and basic demographics for UMP enrollees.
- **Claims:** UMP PPO and UMP Neighborhood claim status inquiry.
- **Secure e-mail:** Ability to exchange messages containing confidential information with our claims administrator.
- **Benefits:** Basic information on UMP PPO and UMP Neighborhood benefits.
- **References and forms:** Information on billing, our Neighborhood Pass, I.D. cards, and filing claims electronically.
- **Search capability:** Ability to search our provider directory and formulary.

To register for OneHealthPort, follow these steps:

1. Appoint an administrator from your organization to manage how your staff access online services.
2. The administrator should then go to [www.onehealthport.com](http://www.onehealthport.com), and click on "Using OneHealthPort" to enroll the organization and get credentialed as a OneHealthPort user.
3. The administrator then uses the [www.onehealthport.com](http://www.onehealthport.com) site to register other employees as OneHealthPort subscribers.

For more information on gaining access to secure information through [www.ump.hca.wa.gov/provider](http://www.ump.hca.wa.gov/provider), visit [www.onehealthport.com](http://www.onehealthport.com). We hope this new access is helpful to you. Watch for updates to UMP's OneHealthPort site over the next few months.

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## Provider Survey Coming Soon

Your role as a UMP provider is critical. Your front-line contact with our enrollees greatly affects and shapes UMP's member service. This arrangement calls for a strong partnership between UMP and your office.

To help strengthen this partnership, UMP will be conducting a provider survey later this year. Two years ago, we surveyed providers to find out what was working well and what could use improvement when it came to their UMP business. Thanks to many of you, that survey was extremely useful. We had a fairly high participation rate (26.7 percent), and a very high degree of satisfaction (about 87 percent). We also made a number of changes based on your comments.

- **Claim processing.** Installation of a new computer system by our third-party administrator caused payment delays and errors in late 2001 and early 2002. This has been remedied, resulting in improved timeliness and accuracy of payments.

- **Payment policies.** We refined our policies to improve reimbursement for preventive and medical visits on the same day. We also no longer always require supporting documentation when modifier 25 is used.
- **Appeals process.** The UMP has standardized its process for tracking and handling appeals on behalf of enrollees, making it easier and faster to turnaround the paperwork.
- **Team outreach.** After analyzing survey results, we added resources to providers for billing questions, and have improved procedures for follow-up on payment reconsideration requests.
- **Provider follow-up.** We personally contacted more than 150 respondents who, in the survey, requested a call-back from a UMP representative to address specific concerns.

Now it's time to check back with you. In an effort to keep the dialogue going, we hope to conduct our second provider survey in late 2004. It is very important that we hear from you; your responses will impact possible changes to UMP policy and practices. Watch for more information later this year.

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To obtain this document in another format, call our Americans with Disabilities Act (ADA) Coordinator at 360-923-2805. TTY users (deaf, hard of hearing, or speech impaired), call 360-923-2701 or toll-free 1-888-923-5622.

Change Service Requested

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